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August 6, 2003

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**Ex Parte Presentation**

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington D.C. 20554

Re:   *Verified Comments of CIMCO Communications, Inc. regarding SBC's
application for Provision of In-Region InterLATA Services in Illinois*, WC Docket
No. 03-167

Dear Ms. Dortch:

On behalf of CIMCO Communications, Inc., I am attaching to this letter the
Verified Comments of Bill Dvorak regarding SBC's application for Provision of In-
Region InterLATA Services in Illinois, pursuant to the Federal Communications
Commission's Public Notice of July 17, 2003.

Pursuant to the Commission's Public Notice, this letter and the attached Verified
Comments are being filed through the Commission's Electronic Comment Filing System.

Sincerely,

Thomas H. Rowland

Attachment
cc:    Pamela Arluk          Isrshad Abdal-Haqq
       Cathy Carpino         John Hays
       Rodney McDonald       Jennifer McKee
       Jeremy Miller         Deena Shetler
       Marv Sacks            Jeffrey Tignor
       Christopher Libertelli Mathew Brill
       Jessica Rosenworcel   Layla Seirafi-Najar
       Daniel Gonzalez       Lisa Zaina

# CIMCO™

August 6, 2003

Hon. Michael K. Powell, Chairman
Hon. Kathleen Q. Abernathy, Commissioner
Hon. Michael J. Copps, Commissioner
Hon. Kevin J. Martin, Commissioner
Hon. Jonathan S. Adelstein, Commissioner
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re:     *Verified Comments of Bill Dvorak on Behalf of CIMCO Communications, Inc.*
        *regarding SBC's Application for Provision of In Region, InterLata Services in*
        *Illinois,* WC Docket No. 03-167

Dear Chairman Powell and Commissioners:

CIMCO Communications, Inc. ("CIMCO") hereby provides comments to the

Federal Communications Commission ("FCC") regarding the application of SBC

Communications, Inc. ("SBC") for authorization to provide in-region interLATA service

in Illinois. The purpose of these comments is to provide a basis for CIMCO's opposition

to the granting of SBC's application.

CIMCO is a CLEC licensed to provide telecommunications services in the five

former Ameritech states: Illinois, Indiana, Ohio, Michigan and Wisconsin. CIMCO

provides a variety of complex business services mainly focused in Illinois to large

institutional customers such as hospitals, banks and government organizations.

CIMCO was a participant before the Illinois Commerce Commission ("ICC") and

its investigation of SBC's compliance with Section 271 of the Telecommunications Act

of 1996.[1] CIMCO provided data and discussion regarding several areas of SBC's OSS that negatively impacts CIMCO's ability to compete with SBC in Illinois on equal footing.

47 USCS §271(c)(2)(B) puts forth 14 checklist items that must be satisfied. Of particular importance to CIMCO is SBC's obligation to provide nondiscriminatory access to its Operations Support System ("OSS"). The comments provided by CIMCO concerns problems that CIMCO has routinely experienced over a period of months or even years.

CIMCO has been in repeated discussions with SBC regarding several deficiencies in SBC's OSS systems. Although CIMCO has detailed many of theses problems at various forums, the OSS issues that it has identified have yet to be resolved. With respect to SBC's OSS version LSOG 5, CIMCO identified various deficiencies during the pre-testing phase, (March – May, 2003). SBC chose to withhold any corrections until CIMCO switched to LSOG 5 and encountered the exact same SBC errors again in live production of customer orders. It is CIMCO's understanding that SBC chose not to test any complex orders during pre-testing of LSOG 5, such as PRI's or CENTREX. This has only served to compound CIMCO's problems. As described herein:

- SBC's two-step pre-ordering process under LSOG 5 is inferior to SBC's former LSOG 4 OSS.

- SBC has never correctly billed CIMCO for services it has purchased.

- CIMCO could not complete any order for a period of one month with SBC if the order was for a former SBC customer who is under contract with SBC; This problem still occurs today, although with less frequency.

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[1] *Investigation concerning Illinois Bell Telephone Company's compliance with Section 271 of the Telecommunications Act of 1996.* Illinois Commerce Commission, Docket 01-0662.

- CIMCO could not complete any orders for a period of one week with SBC if the order contained any kind of circuit.

- CIMCO could not complete any orders for a period of two months with SBC if the order was for DID's. This problem is still occurring today.

- CIMCO could not process any CENTREX orders for over a month through SBC's systems.

These issues have negatively impacted CIMCO's ability to compete with SBC in Illinois and have been the subject of hundreds of hours and repeated discussions with SBC, resulting in increased and needless delay to CIMCO's customers, the commitment of thousands of employee hours, and the resultant increased monetary cost to CIMCO.

**II. SBC's LSOG 5 inexplicably requires a two-step process (manual pre-order, electronic order) compared to its former LSOG 4 one-step electronic ordering process.**

Over the past few years CIMCO has encountered unusually high levels of SBC errors in migrating OSS systems to LSOG 4 and LSOG 5. The original Ameritech region OSS supported flexible functionality that allowed SBC and CLECs the ability to order service by inserting placeholders in the systems and work around certain types of problems (e.g., the former LSOG 4 version of OSS). Now, for all but orders for Plain Old Telephone Service ("POTS"), SBC's mandate that CLECs migrate from LSOG 4 to LSOG 5 resulted in the loss of placeholder functionality for ordering all new services. What used to be a one step automated process is now, under LSOG 5, a two-step manual/auto process.

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## Pre-Ordering

SBC's Pre-Ordering process under LSOG5 is inferior to its former LSOG 4 process. CIMCO has spent considerable resources and built software for its front-end system in order to be able to electronically exchange EDI with SBC's systems. Under LSOG 4 CIMCO was able to submit a one-step order to SBC that contained placeholders for the various elements (i.e., telephone number, trunk group number, circuit ID, route index, station numbers, etc.). However, SBC took away functionality with its LSOG 5 OSS, resulting in a two-step manual/auto process for ordering.[2]

Under LSOG 4, electronic ordering using SBC's EDI should not exceed two days. SBC's LSOG 5 "update" in fact takes several steps backwards with respect to ordering efficiency. The LSOG 5 specification requires a manual "Pre-Order" to be submitted in order to obtain the elements described above.[3] Upon return of the accepted pre-order, the actual order must be sent with the elements stated above. The turnaround time on the actual order is again 2 more days (providing it is accepted on the first version). For CIMCO's manual pre-orders (that require the LSOG 5 processing rules) SBC's turnaround time as compared to LSOG 4 is approximately double.

Under LSOG 5, if the pre-order is not accepted on the first attempt, SBC has another 72 hours to respond. Due to the complexity of these forms, errors are more common from both parties. This results in rejects which extends the cycle time tremendously.

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[2] Although SBC initially claimed that CLECs agreed to this change during CLEC user forums, that claim has not been supported by SBC. In fact, CIMCO specifically requested verification from SBC and contacted several CLECs regarding SBC's claim. Neither SBC nor any CLEC has verified that CLECs requested SBC's two-step ordering process.

[3] i.e., telephone number, trunk group number, circuit ID, route index, station numbers, etc.

Complex orders using LSOG 4 took 48 hours to accept. Under LSOG 5 the timeline increased to 72 hours for preorders and 48 hours for orders. Thus, the timeline for orders increased from two days to five days (assuming no further delays due to rejects).

In discussions, SBC asserted that nothing would change with this process. After the ICC became aware of CIMCO's concerns SBC's position changed slightly. SBC is not doing anything electronically to fix the problem and has admitted such.

SBC claims it is looking at processes to streamline the two-step ordering process, such as: (i) using pre-order forms or (ii) streamlining the timeline in order to get back where it used to be with LSOG 4. SBC's offer does nothing to address the basic problem – functionality that was available under LSOG 4 has vanished and in its place SBC's OSS accomplishes in five days was it formerly was able to accomplish in two days.

SBC stated to CIMCO that it has no plans to automate this process. In late July 2003, SBC indicated that it was looking at options to address this issue by reducing some of the inefficiencies. However, SBC does not seem willing to address CIMCO's main issue – the fact that a manual pre-order should not be necessary (and in fact was not necessary just last year). CIMCO should not have to FAX in manual pre-order requests. CIMCO is sending information to help optimize the current flow. This will include information that in CIMCO's opinion is needed to process a pre-order. The current environment requires too much information and operationally is inefficient and far too time consuming.

SBC's downgraded OSS has negatively impacted CIMCO's ability to compete with SBC. SBC's two order LSOG 5 process affects all non-POTS orders for new

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service and requests for new service to existing customers. Under LSOG 5 CIMCO's customers have experienced being without service for twice as long as similar customers under LSOG 4. Aside from the disruptive impact on the customer, CIMCO's relationship with the customer is severely strained. Institutional customers will often test a small piece of business with CIMCO before committing to a full account status. Because of SBC's failed OSS systems CIMCO has lost major commercial accounts.

**Billing Issues – UNE-P and Resale**

For billing issues CIMCO has been injured monetarily, through lost customers, and through employee hours spent resolving SBC caused problems. Incorrect billing is a monthly occurrence and negatively effects CIMCO's ability to compete in the market. Over the past several months SBC problems have resulted in over 10% of submitted invoices being in error for UNE-P. Several of CIMCO's claims extend back to 2001. SBC has recently been crediting CIMCO and thus acknowledges where the problems stem from. CIMCO is presently reviewing its July 2003 bills and finds that SBC's poor performance is continuing.

On a monthly basis CIMCO receives incorrect UNE-P and resale bills. CIMCO must expend resources auditing SBC bills, calculating the errors, disputing the bills, and resolving the disputed amounts with SBC personnel. SBC's billing errors can also effect CIMCO's end user customers. This inconveniences CIMCO's customer and diminishes customer goodwill between CIMCO and its customer even though the billing error is SBC's fault. CIMCO has never received an accurate bill. A brief description of UNE-P and resale billing issues is detailed below:

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Billing issues for UNE-P

- Billed NRC Port charges for converting lines form resale to UNE –P.

- Double billing for the same circuit in different parts of the monthly bills.

- Assessed taxes on tax exempt accounts

- Over charges for call records sent to CIMCO

- Overcharges for directory assistance ($15,000 in April)

- SBC bills for lines that CIMCO has not leased (e.g., lines that other competitors are leasing)

- Billed for service issues caused by SBC problems.

Billing issues for resale

- Billed incorrectly on point-to-point SPP. For two years CIMCO billed the month-to-month rate rather than the rate for a special payment plan.

- Invalid Administration and connection – installation charges on 3-year (monthly)

- Improperly identified PIC – customer incurred $15,000 in extra billing because SBC failed to update the switch records.

- Invalid intraLATA toll charges due to systematic error in switch.

- Improper NRC charges including labor and installation for premise visits or PIC changes that did not occur.

- Improper PRI charges on higher month to month rates rather than the SPP pricing plan – repeatedly caused by SBC manual mistakes on any order including a contract.

**SBC Invalid Rejects of Orders containing a Contract**

For five weeks this summer CIMCO was unable to electronically submit orders if the orders were for new customers who had associated contracts with SBC. Although

CIMCO has the legal right to assume a contract (pursuant to *ASCENT v. Ameritech Illinois*, ICC Docket No. 00-0024), the orders would not get processed.

SBC's systems rejected any orders included with a contract, claiming that the customer is non-assumable. This type of order is guaranteed to drop to manual, but CIMCO could not even get the orders through SBC's systems far enough to where they would drop to manual (there are at least 3 levels before an order gets to where it would drop to manual). CIMCO was therefore unable to take over a customer's contract. This problem was affecting a large percentage of CIMCO orders.

As recently as July 16, 2003, CIMCO had a backlog of 70 invalid SBC order rejections caused by this system defect. These are complex orders that may contain more than 200 lines and other services such as an alarm circuit. SBC's response to their system problems was for CIMCO to submit the orders manually. Manual orders can routinely be upwards of 50 to 100 pages long that must be faxed to SBC under a manual process. The chances of service representative errors are greatly increased due to the size of the orders. SBC's inaction caused orders submitted by CIMCO for new customers that had existing contracts with SBC to be in limbo for weeks at a time. During this time the customer is not being serviced by its carrier of choice and SBC is receiving revenues for services it should no longer be providing.

CIMCO has been forced to conduct daily conference calls and expend hundreds of employee hours in order to resolve this issue. These daily conference calls went on for six weeks every day and eventually resulted in SBC classifying it as a "severity 1" issue. These same conference calls were implemented after the conversion to LSOG 4 over a year ago. It was only after CIMCO scheduled a conference call with the Illinois

Commerce Commission, however, that SBC began to make headway on the issue. As of today's date, the order backlog has been reduced. SBC finally agreed to handle the orders through a manual workaround. Conference calls are still occurring two times a week.

SBC's inability to allow CIMCO to assume a former SBC customer's contract has negatively impacted CIMCO's ability to compete with SBC. CIMCO's customers are high-end business customers that demand a high level of customer service. Here, however, SBC's inaction severely strained customer goodwill because CIMCO's customers were delayed by SBC.

Examples of SBC errors include particular types of contracts could not be assumed by CIMCO. Value link or complete link contract orders are made up of 3 –5 contract USOCs. SBC's systems require all USOCs to be included in the order even if they don't apply to the particular order. Otherwise, SBC representatives will reject the order, even though SBC business rules do not require all the USOCs on an order.

**SBC Systems Invalid Rejects of CENTREX Orders**

For approximately six weeks this summer, all of CIMCO's CENTREX orders were rejected by SBC. SBC requires that all CENTREX orders must be submitted manually. CENTREX orders are complex orders for blocks of telephone numbers ("TNs") for a business customer. Placing CENTREX orders manually is very complex and time consuming.

SBC is mapping more common blocks than CIMCO is sending. SBC's documents instruct to send one common block of numbers in an order. However, SBC's

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system creates many common blocks. This causes SBC to improperly reject the order, although SBC claims CIMCO is the one creating the problem.

SBC documents require a station number field range for CENTREX orders. Particular lines in the range may be non-active. An example is where SBC's system creates 999 numbers and then rejects an order for having too many numbers. SBC's system creates all lines and rejects the order when there isn't information on those other lines.

SBC has been rejecting CENTREX orders for more than a month because of the same types of invalid rejects. These issues are currently affecting several large end users comprising more than 450 lines of service. There are also other types of service (POTS and circuits) on the same ATN that cannot be converted because of the issues with CENTREX. SBC's system and internal processes are causing these invalid rejects. These issues are causing CIMCO a competitive disadvantage and the customer is unable to have service with their carrier of choice.

**Basic Rate Interface (BRI)**

In April 2003 CIMCO successfully tested the ordering of BRIs during the testing phase prior to moving to LSOG 5. SBC's BRI process now, however, fails in production under LSOG 5. CIMCO is hesitant to order more BRIs in this environment. SBC and CIMCO both know these types of orders will fail and that SBC representatives will be unable to successfully handle them. SBC has offered to open a Change Request (CR) and has a workaround in place. However, SBC has stated that it will take upwards of one year before a fix will be made.

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CIMCO should not be relegated to waiting a whole year for the CR process. Further, since SBC has new BRI's as a supported product, this situation should be at a "severity 1" level with an associated Defect Report (DR). A DR is the proper vehicle to address this situation because a process change with both parties (workaround) should be short-term.

**Direct Inward Dial (DID)**

Since June 14th, 2003, CIMCO has been unable to process DID orders that contain more than a single number range. SBC's system did not pass the additional number ranges into their back end systems. This caused SBC to invalidly reject those orders and impair all customers who require DD as part of their service.

**SBC Invalidly Rejects any Order Containing Circuits**

From June 14th until July 7th CIMCO was unable to process orders that contained circuits. SBC's system did not correctly support circuits order. SBC's system gave an invalid reject. These issues were identified in SBC's test system. These errors caused CIMCO to be unable to do additional testing on circuits so that additional issues could be found. CIMCO requested that the LSOG release be held until these were corrected in LSOG 5.03 but SBC refused to hold the release and required CIMCO to upgrade without electronic support for circuits.

If the ATN (Account Telephone Number) contained mixed services than the entire account cannot be placed on are CIMCO's services. This stopped CIMCO's ability to place the customers' services on CIMCO for this ATN.

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**CIMCO's Direct Costs the Indicated Issues**

As noted, CIMCO and SBC conducted daily conference calls and many one-on-one calls in order to attempt to resolve these issues. The calls and pre/post meetings consumed hundreds of CIMCO employee hours.

CIMCO has incurred the following to date in attempting to resolve these issues with SBC.

$90,000 in lost revenue

$60,000 in management time

$ 70,000 in provisioner's time

$220,000 total cost to date

CIMCO is still incurring costs related to these issues.

**Conclusion**

Contrary to the recommendation of the Illinois Commerce Commission, SBC does not satisfy the requirements of Section 271 of the Federal Act, particularly those requirements relating to nondiscriminatory OSS. OSS is one of the most reliable measurements of SBC's lack of 271 compliance due to the impacts on CIMCO's end user customers. On the customer side, SBC's OSS significantly delays CIMCO's customers, whether it is through a loss of functionality going from LSOG 4 to LSOG 5, or whether CIMCO's complex orders are repeatedly and extendedly delayed. On the business side, SBC has been unable to correctly bill CIMCO for services ordered by CIMCO and rendered by SBC. SBC's repeated billing errors costs CIMCO time and money and may

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impact CIMCO's end user customers. For these reasons CIMCO opposes the grant of in region interLATA authority in Illinois for SBC.

STATE OF ILLINOIS )
 )
COUNTY OF Du Page )

I, Bill Dvorak, being first duly sworn, deposes and states that the above Verified Comments of CIMCO Communications, Inc. were compiled by me or under my direction and that the contents and statements contained therein are true to the best of my knowledge, information and belief.

_Bill Dvorak_
Bill Dvorak

SUBSCRIBED AND SWORN to
Before me this 6th day of August, 2003.

_Mary Rita Flanagan_
Notary Public

My commission expires on _June 9, 2004_.

"OFFICIAL SEAL"
MARY RITA FLANAGAN
COMMISSION EXPIRES 06/09/04